

AMENDED IN ASSEMBLY APRIL 8, 2003
AMENDED IN ASSEMBLY MARCH 17, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 212

Introduced by Assembly Member Maze

January 29, 2003

An act to add and repeal Sections 22714.5, 44929.1, and 87488.1 of the Education Code, relating to state teachers' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 212, as amended, Maze. State teachers' retirement: retirement incentive.

Existing law authorized a member of the Defined Benefit Program of the State Teachers' Retirement Plan to receive an additional 2 years of service credit if the member's employer took a specified formal action, prior to January 1, 1999, encouraging its employees to retire; the member retired within the period designated in that formal action; and other conditions existed.

This bill would authorize those members, upon *the making of* a specified ~~determination~~ *certification* by their employer and pursuant to the terms of a memorandum of understanding, to receive credit for an additional ~~2 4~~ years of service ~~or 2 years of age, or both~~, if those members retire within a designated period, prior to January 1, 2005, and other conditions are met.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 22714.5 is added to the Education Code, to read:

22714.5. (a) Notwithstanding Sections 22714, 44929, and 87488, an additional ~~two~~ *four* years of service ~~or an additional two years of age, or both, as specified in the memorandum of understanding described in paragraph (3), shall be credited under~~ *shall be credited under* this part to a member of the Defined Benefit Program if the following conditions exist:

(1) The member is credited with five or more years of service credit and retires for service under the provisions of Chapter 27 (commencing with Section 24201) within the period designated by the employer in the memorandum of understanding described in paragraph (3).

~~(2) The employer determines that the best interests of the district would be served by encouraging certificated or academic employees to retire for service and transfers to the retirement fund~~

(2) *The employer transfers to the retirement fund* an amount determined by the Teachers' Retirement Board to equal the actuarial equivalent of the difference between the allowance the member receives after receipt of the credit for additional service ~~or age or both~~ pursuant to this section and the amount the member would have received without the additional credit and an amount determined by the Teachers' Retirement Board to equal the actuarial equivalent of the difference between the purchasing power protection supplemental payment the member receives after receipt of the credit for additional service ~~or age or both~~ pursuant to this section and the amount the member would have received without the additional credit. The payment for purchasing power shall be deposited in the Supplemental Benefit Maintenance Account established by Section 22400 and shall be subject to Section 24415. The transfer to the retirement fund ~~shall be made in a~~ *may be made in installments commencing 12 months after the date of the memorandum of understanding described in paragraph (3) and continuing over a period of eight years, or in any other manner and time period acceptable to the employer and the Teachers' Retirement Board.*

(3) This section has been made applicable to the employer and the member pursuant to a memorandum of understanding between the employer and the representative employee organization.

(4) *The school district has certified to the county superintendent, the county office of education has certified to the Superintendent of Public Instruction, or the community college district has certified to the chancellor's office that application of this section will result in either: (A) a net savings to the school district, county office of education, or community college district; (B) a reduction of the number of certificated or academic employees as a result of declining enrollment; or (C) the retention of certificated or academic employees who are credentialed or qualified to teach in teacher shortage disciplines.*

(b) The amount of additional service credit ~~and additional age~~ shall ~~each be two~~ be four years regardless of credited service or age.

(c) Any member of the Defined Benefit Program who is credited with additional ~~age or service or both~~ service under this section and who subsequently reinstates from retirement shall forfeit the additional credit granted under this section.

(d) This section is not applicable to any member otherwise eligible if the member receives any unemployment insurance payments arising out of employment with an employer subject to this part during a period extending one year beyond the effective date of the memorandum of understanding, or if the member is not otherwise eligible to retire for service without the additional ~~age or~~ service credit available under this section.

(e) This section shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.

SEC. 2. Section 44929.1 is added to the Education Code, to read:

44929.1. (a) Notwithstanding Section 44929, an additional ~~two years of service or an additional two years of age, or both, shall~~ *four years of service shall* be credited under the Defined Benefit Program of the State Teachers' Retirement Plan to a certificated employee pursuant to Section 22714.5 if all of the conditions set forth in that section are satisfied.

1 ***(b) This section shall remain in effect only until January 1,***
2 ***2005, and as of that date is repealed, unless a later enacted statute,***
3 ***that is enacted before January 1, 2005, deletes or extends that date.***

4 SEC. 3. Section 87488.1 is added to the Education Code, to
5 read:

6 87488.1. Notwithstanding Section 87488, an additional ~~two~~
7 ~~years of service or an additional two years of age, or both, shall~~
8 *four years of service shall* be credited under the Defined Benefit
9 Program of the State Teachers' Retirement Plan to an academic
10 employee pursuant to Section 22714.5 if all of the conditions set
11 forth in that section are satisfied.

12 ***(b) This section shall remain in effect only until January 1,***
13 ***2005, and as of that date is repealed, unless a later enacted statute,***
14 ***that is enacted before January 1, 2005, deletes or extends that date.***

